Understanding axes



Theme 5: Impact of Taxes



CPolitical work is the life-blood of all economic work.

-Mao Zedong

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Goals of Taxation



• Be fair

Influence behavior



Horizontal Equity

Equals should be taxed equally.



Tax Breaks

Deductions:

Reduce income subject to tax

Exemptions:

Part of income that isn't taxed

Credits:

Dollar for dollar reduction in tax



Excise Tax



Sin Tax

Discourages unhealthy behavior



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Gasoline Excise Tax

A user tax that generates revenue to build and maintain roadways



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Role of Lobbyists

Work to influence lawmakers' decisions



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How to Lobby for Your Cause

Find an issue

Research

Know your legislators

Understand the legislative process

Make your position known

Be brief, persistent, and polite



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